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THE Poultry and Egg SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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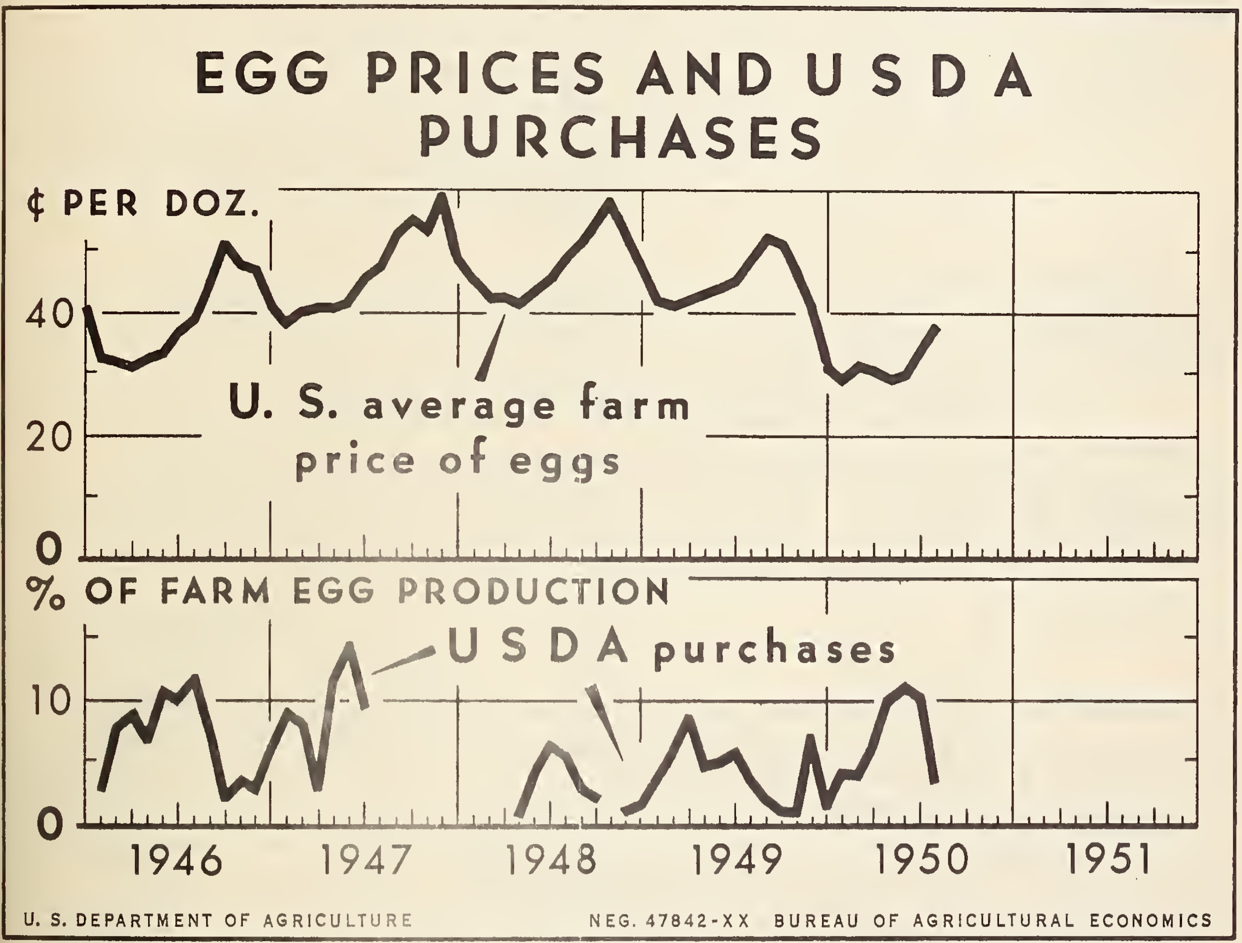

EGG PRICES AND U S D A PURCHASES

U. S. DEPARTMENT OF AGRICULTURE NEG. 47842-XX BUREAU OF AGRICULTURAL ECONOMICS

In the past 5 years the U. S. Department of Agriculture purchased 5 percent of the farm egg output. The purchases have been largely concentrated in the months of the year when prices were at their lowest and in the months immediately following. These purchases have not only had price-supporting effects, but, together with the trend toward less marked variations in seasonal production, the purchases have also had the effect of reducing the variation between the lowest and highest prices in each calendar year.

The poultry and egg situation at a glance

Item	Unit	Month or date	Average 1939-48	1949	1950	Month or date	Average 1939-48	1949	1950	Comments on current situation
					Eggs					
Farm production	Mil. doz.	July	346.3	360.7	386.4	Aug.	298.9	321.0	351.8	
Average number of layers on farms	Millions	July	295.9	290.9	305.8	Aug.	286.9	286.2	303.7	Well-sustained as season progresses
Rate of lay per hen	Eggs	July	14.0	14.9	15.2	Aug.	12.5	13.5	13.9	Likely to continue ahead of last year in next few months
Apparent civilian per capita disappearance	Eggs	July	29.2	30.5	32.0	Aug.	28.6	29.1	30.0	Now exceeding last year
Frozen egg production	Mil. lb.	July	---	18.6	17.7	Aug.	---	7.7	13.4	
Dried egg production	Mil. lb.	July	---	6.4	11.1	Aug.	---	4.0	5.1	
Price received by farmers	Ct.per doz.	Aug.	34.2	48.8	38.0	Sept.	37.2	52.4	40.4	
Price received by farmers as a percentage of parity	Percent	Aug.	93	93	72	Sept.	90	94	70	
Retail price (BAE)	Ct.per doz.	July	43.6	64.1	50.0	Aug.	47.6	70.0	56.1	
Egg-feed price ratio	Lb. feed	Aug.	12.3	14.1	10.2	Sept.	13.3	15.2	11.0	
Stocks:										
Shell	Thous.cases	Aug.1	7,228	1,936	3,163	Sept.1	6,305	1,426	2,585	Almost double last year's holdings
Frozen	Mil. lb.	Aug.1	253.2	168.4	174.8	Sept.1	238.5	146.9	155.4	
Dried	Mil. lb.	Aug.1	---	66.5	103.4	Sept.1	---	68.9	107.3	
Chicks hatched by commercial hatcheries	Millions	July	53.4	59.1	75.0	Aug.	37.7	52.1	73.1	At this season, mostly for broilers
Pullets not yet of laying age on farms	Millions	Aug.1	288.3	303.6	282.2	Sept.1	265.9	270.2	240.9	
Farm price of poultry ration	Dol.per.cwt.	Aug.	2.82	3.46	3.73	Sept.	2.86	3.46	3.68	
					Poultry					
Price received by farmers for chickens, live	Ct.per lb.	Aug.	22.8	25.1	25.4	Sept.	22.9	24.4	24.5	
Price received by farmers as a percentage of parity	Percent	Aug.	116	91	86	Sept.	115	88	83	
Retail price of chickens, dressed (BAE)	Ct. per lb.	July	38.4	52.0	54.0	Aug.	39.2	54.3	57.4	
Price received by farmers for turkeys, live	Ct. per lb.	Aug.	26.4	33.8	33.8	Sept.	27.4	34.3	33.5	Prices for this year's crop not supported
Stocks:										
Poultry, excluding turkeys	Mil. lb.	Aug.1	75.7	50.0	56.4	Sept.1	91.1	62.7	68.2	Now increasing seasonally
Turkeys	Mil. lb.	Aug.1	27.9	21.3	47.0	Sept.1	21.5	20.8	38.5	Near season's low
Chicken-feed price ratio	Lb. feed	Aug.	8.3	7.3	6.8	Sept.	8.2	7.1	6.7	
Turkey-feed price ratio	Lb. feed	Aug.	9.4	9.8	9.1	Sept.	9.6	9.9	9.1	
Average weekly receipts of poultry at Central Western Primary Markets, per plant	Thous. lb.	July	20.9	20.5	23.4	Aug.	26.2	29.5	31.3	
Average weekly placement of chicks in 7 broiler areas	Millions	July	---	4.8	7.2	Aug.	---	4.6	7.0	Has been at a sustained high level since mid-February

The October issue of The Poultry and Egg Situation will be the 1951 Outlook issue

THE POULTRY AND EGG SITUATION

Approved by the Outlook and Situation Board, October 2, 1950

SUMMARY

Prices of eggs during the rest of 1950 are likely to continue lower than a year earlier. In late September egg prices leveled off at or near the probable season peak, but some grades in wholesale markets were lower than their highest previous prices this year. Egg futures prices were meanwhile about 15 percent below their 1950 peaks. At all levels of trade egg prices remain about 20 to 30 percent lower than a year ago.

If egg production conforms to the patterns of recent years, production will be rising after September and supplies of fresh eggs should increase from present levels. September output has recently been the lowest of the year, but current supplies are nevertheless relatively large because large numbers of layers and high rates of lay for the season are resulting in production larger than a year ago.

Chicken prices, unlike egg prices, are just about at last year's levels. Current marketings of farm chickens are at or near the season's peak, and broiler marketings, reflecting the sustained large chick placements of recent months, are probably a record. As is normal for the season, supplies of frozen chicken are moving into commercial cold storage.

Marketings are beginning from the 1950 turkey crop, which is 6 percent larger than the crop of 1949, and a new record. Farm prices, which are slightly lower than last year, moved contraseasonally downward in September.

REVIEW AND OUTLOOK

Egg Prices Near Season Peak

The flurry in egg prices which occurred soon after the outbreak of the Korean incident seemed to have nearly run its course by late September. For about two weeks after June 25 the moderate price increases were in accord with seasonal expectations. Thereafter, however, prices of both eggs and egg futures contracts turned sharply upward. In general, egg prices in late September remained at or near their highest levels of the season to date. Futures prices were below their mid-June levels, however, after having risen in July to their highest 1950 levels for the current contracts, and then fallen in September to the lowest levels of the year to that date.

The 10.3 cent per dozen increase in the U. S. average farm price of eggs from mid-June to mid-September was sharper than any comparable rise in recent years. The next-to-the-last column of table 1 shows that most of the increase came in the June-July and July-August intervals, with a further increase occurring from mid-August to mid-September. Although the September 1950 price was lower than a year earlier, it nevertheless exceeded the lowest 1950 springtime price by about the same cents-per-dozen margin that existed between spring and fall prices in 1949. On a percentage basis, however, the increase from spring to fall was quite different in the two years 1949 and 1950. Since the egg price level in 1950 was about 30 percent lower than in 1949, the September 1950 price was 36 percent higher than the lowest springtime price, whereas in 1949 the corresponding comparison showed a rise of only 27 percent.

Table 1.- Eggs: Price per dozen for specified grades at given markets, selected dates, summers 1949 and 1950

Date 1/	New York, extras (60 percent A's)				Boston, Brown, specials		Chicago, mixed colors, extras, large	San Francisco, consumer grade A		Iowa country points 3/		U. S. average farm price 4/	October futures, Chicago, close
	Large (45-48 pounds per case)			Medium, white 2/									
	Mixed colors 2/	White	Brown		Large	Medium		Large	Medium	First grade	Current receipts		
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1949													
May 15	50-51-3/4			50 -51	57	54	---	51 -51½	48-48½	43	38-40	43.4	50.45
June 15	49 -53½			49 -53	64	---	49½-50½	52 -52½	47-47½	42-45	38	44.1	51.20
July 1	48 -53			48 -52	60	56	48 -50½	54 -54½	49-49½	42-43	37		51.40
July 15	55 -58			49 -55	---	---	52 -55	58 -58½	55-55½	43-45	37-38	45.3	52.00
Aug. 1	57 -60			50 -56	---	---	55 -56½	59 -59½	55-55½	49-50	38-40		53.00
Aug. 15	56 -60			50 -55	---	55	55 -57	60 -60½	53-53½	47-50	38-40	48.8	53.60
Sept. 1	58 -63			50 -58	72	55-56	58 -61	63 -63½	57-57½	50-53	39-41		54.25
Sept. 15	61 -70			53 -58	69-70	52-53	63 -67	68 -68½	60-60½	50-55	42-45	52.4	56.05
Sept. 30	58 -62½			48 -48½	61-62	47-48	57 -61	66 -66½	54-54½	50	40-41		53.50
Oct. 15	58½-59			44½	61-62	43-44	58 -64	66 -66½	50-50½	48-51	30-39	51.4	5/53.00
1950													
May 15	33½-34	33½-34	33½-34	31½-32	37	33	31 -31½	38 -38½	34-34½	26-27	25	29.6	37.40
June 15	35 -36	34½-37½	35 -36½	35 -36	44-46	36-38	33½-34	38 -38½	33-33½	28	25	30.1	37.95
July 1	34 -37½	35 -39½	35 -39½	37 -38	48	41	34½-36	41 -41½	37-37½	30-32	25-26		37.90
July 15	37½-38½	37½-41	38 -42	37 -40	54	46	39 -40	45 -45½	42-42½	32-34	26-27	34.2	39.60
Aug. 1	44 -44½	46 -47	45 -46	42 -45	58-59	48-49	39½-41	50 -50½	47-47½	36-38	28-30		39.20
Aug. 15	38½-39	42½-43	42½-43	40 -41	53-54	40-40½	37½-39½	50 -50½	46-46½	32-34	25-27	38.0	35.35
Sept. 1	41½-43	46 -48	45 -47	38	56	39	44 -45	50 -50½	44-44½	34-35	26-27		34.25
Sept. 15	48 -50	53 -55	51 -53	46½-47	61-62	43-45	49 -51	52 -52½	45-45½	40	27-28	40.4	34.70
Sept. 30	49 -49½	50 -51	50 -51	40 -42	50	43	47½-48½	55 -55½	45-45½				32.50
Comparisons: Rise from May 15 to September 15.													
1949	11 -18¼			3-7	12-13	-1- -2	---	17	12	7-12	4-5	9.0	5.60
1950	14½-16	19½-21	17½-19	15	24-25	10-12	18 -19½	14	11	13-14	2-3	10.8	-2.70
Difference between highest listed price and September 30 price.													
1949	3-7½			5-9½	10-11	8-9	6	2	6	5	2-4		2.55
1950	---	3-4	1-2	5-6½	11-12	0-2	1½-2½	---	2				7.10
Price of mediums as a percent of price of comparable large eggs, September 30.													
				Percent		Percent			Percent				
1949				80		77			82				
1950				81		86			82				

1/ When indicated date is a Saturday, Sunday, or holiday, price is given for next following business day. 2/ In 1949, color not specified. 3/ "Mostly", bulk of transactions, omitting extremes. Quotations given for Tuesday or Friday following indicated day. 4/ At middle of indicated month. 5/ Price at settlement.

Recent egg price trends in wholesale markets indicate that the rate of price increase that had previously been evident has slowed down (table 1). Because the price series shown in table 1 refer generally to graded eggs of the higher qualities, the full extent of their changes is not reflected in the farm price. The farm price is indicative of farmers' receipts from all grades and sizes of eggs, including undergrades and current receipts which have risen less than the top qualities, and including the smaller sizes which are now comprising a seasonally-large proportion of farm marketings.

The egg price outlook for the rest of 1950 depends upon a variety of factors, of which supply is one of the few which can be clearly appraised. Egg supplies will remain abundant. Although farm production in September was at or near the low point of the year, it nevertheless exceeded the output of September 1949. In the months after September, the number of eggs produced on farms will increase seasonally. Cold storage supplies of shell eggs, which on September 1 were 81 percent larger than a year earlier, will compete with fresh eggs of the lower qualities for the remaining months in which continued storage is feasible.

On the demand side the factors presumed to bear on egg prices will continue favorable, but some elements which may support the prices of other commodities will not apply to eggs. Employment, after allowance for seasonal factors, is likely to continue its recent increase, and wage increases and overtime payments will continue to bolster consumer incomes and traders' expectations regarding the general price level. This would be particularly likely if an increasing proportion of domestic output is channeled to defense requirements. Prices of eggs, however, are not likely to respond to inflationary pressures as much as some other commodities. There is no prospect of scarcity as a spur to the maintenance of inventories. Yet existing supplies must be disposed of because the coming months are a period when eggs will be removed from storage. This storage situation, based on the normal seasonal pattern for operations in eggs, contrasts with some other commodities, such as poultry or pork, where storage can now serve to bolster current prices, rather than the opposite.

In view of this production and storage situation, the outlook for egg prices during the next 2 or 3 months offers no indication that they will be as high as in the comparable month of 1949. Inflationary pressures do not seem to be strong enough to offset the price effects of the expected seasonal increase in production. If this belief is accepted by the egg trade, egg handlers are likely to seek to reduce their stocks in the coming months, and not replenish them before egg prices have fallen to their expected springtime levels.

This analysis suggests that inflationary pressures on egg prices, if they develop at all, will probably not be apparent until the first few months of 1951, when seasonally low prices usually occur. In the spring months, the usual opportunity to store eggs commercially will again be open to operators holding an optimistic view of the market. The extent of their optimism will be a factor affecting the springtime level of egg prices.

Trends in prices of egg futures, and of refrigerator eggs in New York City, provide some indication of the pressures for inventory clearance. After reaching a 1950 high of 40.40 cents on July 26, egg futures fell to 33.90 cents on September 5. 1/ While there was a partial recovery in these egg futures prices (to 36.75 cents on September 11), their mid-September level was no higher than during the several months prior to the Korean outbreak, and trading in the September contract closed at 33.90 cents. Of the 1,253 September contracts outstanding on September 1, almost 1,000 were settled by the delivery of eggs. Moreover, prices of refrigerator eggs in New York City also have declined. During the week ended August 12, they were quoted at 42 to 44 cents in New York City, while in the week ended September 16 the corresponding price was 37 to 43 cents. 2/ The increased discount from fresh egg prices, indicated by the quotations for storage eggs, is even greater than the 3 cent average decline in the two quotations, since fresh egg prices had meanwhile risen. The differential between fresh and stored eggs can be expected to remain wide, since the quality of stored eggs declines toward the end of the storage season, while the general quality of fresh eggs is probably improving at this season of the year.

These considerations of continued quality deterioration and widened discount relative to fresh eggs as the season advances, had been factors in the pronounced inversion of the successive monthly egg contracts traded in Chicago. 3/ This inversion had been fairly regularly noted for the past few years. This year, the inversion was not apparent in early-season trading, when the prices for all the contracts through November had been nearly at a par. Lately, however, this relationship has moved toward the pattern of recent past years. This is indicated in table 2.

Table 2.- Egg futures: Closing prices per dozen on the Chicago Mercantile Exchange for refrigerator contracts traded on September 1, 1938 to date, and September 22, 1950

Year	Delivery month of contract				
	September	October	November	December	January following
	Cents	Cents	Cents	Cents	Cents
Sept. 1 1/					
1938		24 1/2	24 7/8		
1939		17.00	17.10		
1940		18.85	18.95		
1941		30.50	30.60	30.75	
1942		35.30	35.40	35.65	
1943		---	---	---	---
1944		38.00	38.00	38.00	
1945		37.70	37.45	34.60	
1946		41.40	41.25	41.25	39.10
1947		54.05	53.75	53.50	49.50
1948		47.25-55	47.55-60	47.55	
1949		54.25-30	51.60	48.75	
1950	34.25	34.25	34.50	34.00	32.00
Sept. 22,'50	33.90	33.45	33.75	33.10	32.50

1/ Or first following business day, except 1942, which is for September 10.

1/ The futures prices listed here are for the respective daily closes of September contracts on the Chicago Mercantile Exchange. 2/ Midwestern, fancy heavy weights, mixed colors, as quoted by the Urner-Barry Company. 3/ Inversion is the situation when contracts calling for successivly later deliveries are traded at successively lower prices, rather than at successively higher prices to reflect the costs of continued storage. Comparisons regarding inversion cannot be made except when all of the contracts under review involve commodities of the same crop year.

The Department of Agriculture has extended its dried egg purchase program through the remainder of 1950, continuing without substantial change the terms and conditions which have been in effect since the beginning of the year. Through September, net purchases under the 1950 program have totaled 82 million pounds of dried egg, while the average of the seasonally-adjusted monthly farm prices since January has been 34.6 cents per dozen. This compares with the 37 cent price which is the price support goal for the year.

Monthly Egg Production Exceeds Year Earlier; Farm Output Due to Rise from Season Low

Last year egg production in September was lower than in any other month of the year. September production this year also is likely to be at or near the low point for the calendar year. Over the past 25 years the recovery from the low point in farm egg production has come progressively earlier in the fall. The low points in monthly production in 1949 and probably in 1950 were 2 months earlier than was the case 15 years ago. On a regional basis it can be demonstrated (table 2, page 6, Poultry and Egg Situation, November-December 1949) that this trend is continuing. Accordingly, it is very likely that by the time of the release of this report the low point of egg production on farms will have been passed.

Although the current period is the one of lowest farm production, the available quantity of eggs is large for the month. Farm production in August was 10 percent larger than in August a year ago, and was supplemented by the withdrawal of 6 percent more eggs (shell and frozen) from commercial storage. Partly offsetting the increases thus noted over last year's supplies was the Federal purchase this August of 3.7 million pounds of dried eggs for price support. This compares with last year's purchase of only 1.3 million pounds in August. These indications point to a percentage increase in August egg disappearance that will be larger than the population increase from a year ago.

The volume of egg production in the remaining months of 1950 is likely to exceed the corresponding monthly outputs of the year before. Although the numbers of layers in farm flocks will eventually be reduced relative to last year 1/ (on September 1 they were 6 percent larger than a year before), the monthly rate of lay is likely to continue to exceed the 1949 levels. Large production is therefore expected to continue, and total egg output from farms in 1950 will be a record, exceeding the 162.6 million cases produced in 1944. To September 1, 120.4 million cases of eggs had been produced on farms, compared with 112.8 million cases to the same date in 1949 and 125.3 million in 1944.

If present expectations regarding the 1950 egg output are borne out, the U. S. egg production per capita will be 4 percent higher than last year but 8 percent lower than in 1944, hitherto the year of highest egg production on farms. Per capita consumption this year is expected to exceed last year by about 5 eggs. Disappearance in 1949 was 376 eggs per capita. The record disappearance of 397 eggs per person was in 1945.

1/ This reduction relative to last year will reflect the 10 percent reduction from last year in the 1950 number of chickens raised on farms.

Storage Holdings of Eggs Decline Seasonally, but Stocks Still Large

On September 1, 1950, there were 2.6 million cases of shell eggs in storage in the U. S., and 155 million pounds (equivalent to 4.1 million cases) of frozen eggs. These quantities are, respectively, 81 and 6 percent higher than on the corresponding date last year.

The out-of-storage movement of eggs in August was small in relation to the high level of stocks. This is shown in table 3, together with an indication that the subsequent out-of-storage movement, if consistent with that reported for 35 cities, has been stepped up. Although the 35-city data apply to a more recent period than the latest one available for the United States, they cover only about two-thirds of the total stocks.

On September 1, 1.1 million cases of eggs, or 42 percent of the shell inventory, were stored in Chicago. On the same date last year 0.3 million cases, 18 percent of the U. S. total, were stored there. On September 29, 1950, 0.8 million cases of eggs remained stored in Chicago. Eggs stored there are acceptable without penalty in satisfying futures contracts on the Chicago Mercantile Exchange, provided that they meet certain other requirements. On September 1 there were 4,853 outstanding egg futures contracts (480 cases each) in Chicago, compared with 2,417 on the same date in 1949. On September 29, after settlement of the September contract, 3,844 contracts remained outstanding, for delivery in the months October through January.

Table 3. - Shell eggs: Storage holdings specified dates and withdrawals specified periods, United States and 35 principal cities, 1949 and 1950

Item	1949	1950	1950 as a percentage of 1949
	1,000 cases	1,000 cases	Percent
U. S., Sept. 1			
Storage holdings	1,426	2,585	181
Withdrawals preceding month	510	578	113
35 cities, Sept. 30 1/			
Storage holdings	576	1,255	218
Withdrawals preceding week	75	217	289

1/ September 30 data are for 1950; 1949 data are for corresponding Saturday.

Chicken Prices Drift Lower; Sales from Farms Increasing Seasonally; Broiler Placements High

The farm price of chickens on September 1 was 24.5 cents per pound, the second highest mid-month average reported so far in 1950. The September price, and the August price preceding it, have been the only monthly average chicken prices so far in 1950 that were higher than the prices a year earlier. Poultry prices so far in 1950 have averaged only 83 percent of the January-September 1949 average. For the remainder of the year, however, they are likely to run very near or perhaps somewhat above the October-December 1949 average of 22.9 cents.

Although Del-Mar-Va broiler prices at the end of September were at about the same level as 3 months earlier, averaging close to 27 cents, prices have been quite erratic in the past few months. They were as high as 37 cents on July 19 and 6 weeks later as low as 27 cents.

In the areas where the principal marketings are of farm-produced poultry (excluding commercial broilers), marketings are now high and are near the peak which usually occurs in September or October. Stocks from these large marketings are already going into cold storage for use in 1951. U. S. commercial storage stocks of chickens excluding broilers increased 7.2 million pounds from August 1 to September 1. A less complete but more recent report covering 35 cities indicates that this into-storage trend is continuing. Current storage stocks of all poultry are 28 percent larger than a year ago, but are not excessive by the standards of recent years. Stocks on comparable dates in 1944 through 1947 were larger than this year.

Marketings of broilers from the 7 specialized producing areas in the United States are likely to continue at the highest sustained level ever yet achieved. Average weekly placements in the 3 months July, August, and September have been close to 7 million chicks, and during the 4 months preceding the placements had been even larger. The level of weekly placements in July-September last year was less than 5 million chicks. Therefore, about a 40 percent increase in marketings compared with last year should be expected in the 3 final months of 1950. This high level of marketings will be fairly well sustained through the period.

The per capita consumption of chicken meat in 1950 is likely to be larger than the 25.2 pounds (dressed weight) consumed last year, and larger than any other year except 1943, 1944, and 1945, when wartime shortages of meat induced large poultry production. In one of those years, 1943, production was sufficient to support an average consumption of over 30 pounds per person.

Table 4.- Broiler chicks: Average weekly rates of placements in 7 specialized areas, by months, July 1950 to date, with comparisons

Period	East Conn.	Del-Mar-Va.	Shenandoah Valley	Chatham-Wilkes N.C.	North Georgia	N.W. Ark.	Texas	Total, 7 areas
	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands
1950								
July	198	3,164	662	438	1,359	676	658	7,155
August	238	3,136	629	415	1,256	708	620	7,002
September	~~227~~	~~3,182~~	~~635~~	~~390~~	~~1,195~~	~~699~~	~~572~~	~~6,900~~
	264	3,237	664	423	1,292	653	627	7,160
3 months prior								
1950								
April	242	2,830	782	430	1,395	952	820	7,451
May	226	2,870	624	384	1,354	812	700	6,979
June	268	2,984	671	453	1,362	703	694	7,135
1 year prior								
1949								
July	92	1,964	538	313	762	547	560	4,776
August	142	2,160	472	279	677	462	426	4,618
September	163	2,550	461	268	777	472	458	5,149

Marketings Begin from Record Large Turkey Crop; Number Raised 6 Percent Larger than Last Year

Preliminary estimates place the number of turkeys being raised this year at 44.6 millions, 6 percent more than last year and 1 percent more than the previous record (1945). The decrease of almost a million in the number of birds being raised in the Western States is more than offset by increases in all other regions.

Marketings which have already begun from this crop are being made at prices slightly lower than a year earlier. The farm price of 33.5 cents per pound (live) in mid-September was slightly lower than the 34.3 cents price in September last year.

Farmers have reported intentions of marketing about a quarter of their 1950 turkey crop before November 1, and only about 7 percent in January or later. This leaves about two-thirds of the crop to be sold from farms in November and December. The proportion for these months is about the same as a year ago, but the proportion for the prior months is larger, and for the subsequent months smaller.

Coupled with this continuing tendency toward earlier turkey marketings is the likelihood that cold-storage holdings of turkey at the end of this year will be smaller than a year ago. The incentive of the Government's price support, a favorable factor contributing to last season's near-record stocks, will not apply to this crop, since the Department of Agriculture has announced that it does not intend to support the prices of 1950 crop turkeys. The combination of the prospective larger crop and the likely reduction in storage accumulation compared with last year may result in an increase of about 10 percent in per capita turkey supplies offered for consumption this fall and winter, as compared with last. In the calendar year 1949, per capita turkey consumption was 4.1 pounds (dressed weight), of which about three-quarters probably was eaten in the last 6 months of the year.

1950 WORLD EGG PRODUCTION

This report was prepared in the Office of Foreign Agricultural Relations. It is reprinted, with slight revisions, from Foreign Crops and Markets, 61:12, September 18, 1950.

The production of eggs during 1950 by major producing countries [1] is indicated at approximately 5 percent above last year according to information available to the Office of Foreign Agricultural Relations.

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[1] This report includes countries for which information is obtainable as indicated by the accompanying table.

The indicated 1950 level of production will exceed the average prewar output of these same countries by about one-third largely due to the 66 percent increase in the United States which accounts for approximately one-half of all the reported egg output. The egg production for all reporting countries excluding the United States is almost 10 percent above their comparable prewar average. There is some indication that smaller world-wide gains in egg production will be made in the next few years since the United States output is at a record level and most of the European countries have substantially recovered from their World War II deficits.

The 1950 increases have been the result of both higher chicken numbers in almost every country during 1950 owing to the large hatch in 1949 and the better rate-of-lay in a number of countries over last year due to improved quality of birds and better feeding.

Profits to egg producers have been smaller in 1950 as in most instances feed and labor costs have remained steady or increased while at the same time prices paid for eggs have declined in almost every country. The higher feed prices are of particular hindrance to feed importing countries, in many of which effort is made to keep the size of flocks in direct proportion to the amount of feed that can be home grown by the poultry keepers. This policy has succeeded in utilizing more indigenous feed but also has limited specialized enterprises and given rise to increased seasonality in the local supply of eggs. Practically all ceiling price controls and rationing have been replaced by price support programs for producers, and by efforts to provide both export and domestic markets. This situation has resulted in a smaller 1950 hatch in several countries. but may not necessarily mean fewer eggs as an increase in the rate-of-lay could easily offset the smaller number of layers.

The United States output of eggs is expected to increase by about 5 percent in 1950 above 1949, while Canadian production is estimated at slightly over 3 percent above last year. Practically all Western European countries made much larger gains. Particularly large advances in egg production are indicated in the Netherlands, the United States, British and French zones of Germany, Finland, Denmark, Czechoslovakia, and Austria. The export of eggs is increasing as major suppliers such as the Netherlands, Denmark, Hungary, Turkey, Poland, Australia, Sweden, Ireland, China, and Belgium make large shipments and minor exportations are made by France, Norway, and others not normally considered net exporters of eggs. Several Balkan countries are now experiencing their first good year, and there is no reporting country where egg production is still depressed as a result of World War II.

A smaller output of eggs is expected in both Switzerland and Australia for 1950 as compared to 1949 due to the pessimistic profit outlook for producers in these two countries.

Table 5.- Eggs: Number produced 1/ in specified countries, average 1934-38, annual 1946-49

Country	Average 1934-38	1947	1948	1949	Indicated 1950
	Millions	Millions	Millions	Millions	Millions
NORTH AMERICA					
Canada	2,638	4,484	4,274	3,774	3,900
Panama	---	52	---	54	55
United States	35,498	55,252	55,158	56,382	2/ 60,000
Cuba	320	288	276	318	325
Dominion Republic	---	60	---	---	---
EUROPE					
Albania	143	---	---	---	---
Austria	663	285	350	400	450
Belgium	1,693	1,250	1,300	1,500	1,600
Bulgaria	682	---	---	---	---
Czechoslovakia 3/	1,958	903	1,110	1,380	1,560
Denmark	1,979	992	1,392	1,870	2,112
Finland	317	117	176	266	300
France	6,200	6,300	6,100	6,800	7,200
Germany (Tri-zone)	3,700	1,976	2,250	2,800	3,600
Greece	550	376	384	390	410
Hungary	1,050	650	750	---	---
Ireland	1,086	733	844	1,014	1,080
Italy	5,600	4,300	4,450	4,550	4,650
Luxembourg	40	30	35	40	40
Netherlands	1,978	1,052	1,159	1,480	1,800
Norway	369	198	276	375	410
Poland and Danzig	3,500	---	---	---	---
Portugal	250	---	---	---	---
Rumania	1,500	---	---	---	---
Spain	1,700	1,992	1,800	1,860	1,900
Sweden	900	1,217	1,335	1,555	1,656
Switzerland	423	442	520	559	530
United Kingdom - Farm 4/5/	3,871	2,600	3,000	3,500	4,300
Total 4/5/	5,098	4,000	4,300	5,000	5,750
Yugoslavia	1,000	---	---	---	---
ASIA					
Lebanon	---	60	48	42	---
Palestine	108	---	---	---	---
Syria	92	90	110	120	---
Turkey	1,003	---	895	950	1,000
Japan	3,553	---	---	---	---
India	---	---	---	1,085	---
Pakistan	---	---	334	---	---
Philippine Islands	645	---	605	645	675
SOUTH AMERICA					
Argentina	1,127	---	---	---	---
Brazil	---	---	2,160	---	---
Chile	---	460	370	---	---
Paraguay	---	100	---	---	---
Uruguay	289	326	330	300	---
AFRICA					
Egypt	751	---	---	---	---
French Morocco	1,000	---	---	---	---
Union of South Africa	---	372	---	1,200	1,160
OCEANIA					
Australia 6/	708	1,470	1,431	1,443	1,392
New Zealand	403	---	---	450	460

1/ Relates to farm production in Canada and the United States, but data for many countries not explicit on this point.
2/ Replaces previous estimate.
3/ Postwar numbers possibly under-reported.
4/ Year ending May of year indicated.
5/ 3-year average.
6/ Commercial production for year ending in June of year reported.

Office of Foreign Agricultural Relations. Prepared or estimated on the basis of official statistics of foreign governments, reports of U. S. Foreign Service officers, results of office research, and other information. Data relate to prewar boundaries unless otherwise noted.

Table 6.- Eggs: Average farm prices, farm production, and purchases by the U. S. Department of Agriculture, monthly, 1946 to date
(Data for cover chart)

Month	U.S. average farm price of eggs, per dozen	Eggs produced on farms	Purchases by USDA: Frozen	Purchases by USDA: Dried	Purchases by USDA: Total (equivalent)	USDA purchases as a percent of production
	Cents	Million cases	Million pounds	Million pounds	Million cases	Percent
1946						
January	41.1	11.9	-	-	-	-
February	32.6	14.0	-	4.1	.4	3
March	32.1	18.9	.2	15.0	1.5	8
April	31.3	18.9	.2	16.8	1.7	9
May	32.8	17.5	.2	12.1	1.2	7
June	33.5	14.1	3.6	13.7	1.5	11
July	37.1	11.9	1.5	11.7	1.2	10
August	39.1	10.2	5.9	10.5	1.2	12
September	44.5	9.2	3.3	5.8	.7	8
October	51.5	8.9	1.4	2.0	.2	2
November	47.8	8.7	-	2.6	.3	3
December	47.0	10.5	-	3.5	.3	3
1947						
January	41.3	12.7	-	7.9	.8	6
February	38.6	13.3	7.1	10.5	1.2	9
March	40.1	17.1	11.0	11.0	1.4	8
April	40.8	17.5	.8	4.6	.5	3
May	40.7	17.0	14.0	16.7	2.0	12
June	41.5	14.4	22.3	14.6	2.1	15
July	45.7	12.6	5.9	10.5	1.2	10
August	47.5	10.6	.1	-	-	-
September	53.0	9.3	-	-	-	-
October	55.3	9.5	-	-	-	-
November	53.4	9.1	-	-	-	-
December	58.7	10.3	-	-	-	-
1948						
January	48.7	12.0	-	-	-	-
February	45.0	13.1	-	-	-	-
March	42.6	16.9	-	-	-	-
April	42.6	17.4	-	-	-	-
May	41.5	16.6	-	.9	.1	1
June	43.4	13.9	-	6.4	.6	4
July	45.8	12.3	-	7.9	.8	7
August	49.2	10.8	-	6.2	.6	6
September	51.4	9.8	-	3.3	.3	3
October	54.7	9.7	-	2.1	.2	2
November	58.3	9.6	-	.5	-	-
December	52.8	11.1	-	.8	.1	1
1949						
January	47.1	12.7	-	1.7	.2	2
February	41.8	13.4	-	4.8	.5	4
March	41.2	17.1	-	10.2	1.0	6
April	42.3	17.0	-	15.1	1.5	9
May	43.4	16.2	-	8.3	.8	5
June	44.1	13.6	-	6.7	.7	5
July	45.3	12.0	-	6.5	.7	6
August	48.8	10.7	-	3.7	.4	4
September	52.4	10.0	-	2.0	.2	2
October	51.4	10.5	-	.5	.1	1
November	47.1	10.8	-	1.0	.1	1
December	40.5	12.6	-	8.8	.9	7
1950						
January	31.3	14.3	-	1.5	.2	1
February	29.6	14.5	-	5.5	.6	4
March	31.6	17.9	-	7.1	.7	4
April	30.8	17.7	-	11.0	1.1	6
May	29.6	17.1	-	17.0	1.7	10
June	30.1	14.4	-	17.3	1.7	12
July	34.2	12.9	-	13.4	1.3	10
August	38.0	11.7	-	3.7	.4	3
September	40.4		-	2.2	.2	

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